

State of Michigan

Energy Cost Avoidance Certification Application

Authorized Under:

P.A. 122 Of 1987

Energy Dollars for Energy Projects

Prepared By

The State Energy Office

Michigan Department of Labor & Economic Growth

Public Act 122 Certification Process

Public Act 122 of 1987 encourages ongoing energy management in state-owned facilities by offering a financial incentive to departments that have taken energy-saving actions and can document the energy cost savings. Departments may retain seventy-five percent (75%) of their certified energy cost avoidance to fund additional energy efficiency projects during the next fiscal year. Any funds to be carried forward must be deposited in a project work order account and fully spent within a 12-month period. The DLEG/Energy Office staff is available to assist departments in developing cost-effective projects for designated facilities.

Example: Total Energy Cost Avoidance in 12 mo.= \$100,000 x .75 = \$75,000 eligible energy cost avoidance dollars to be retained in an account for 1 yr. and spent on department energy projects

Calculating Energy Cost Avoidance

Current year utility data is compared to base year utility data to determine the dollar value of avoided energy costs. A base year is calculated by averaging the energy cost/consumption utility data for the three years preceding the current year for which energy cost avoidance will be determined.

Current Or Certification Year = June 1, 2004 – May 31, 2005
Base Year = Average of 3 years from June 1, 2001 – May 31, 2004

Departments with energy performance contracts will have the energy cost avoidance for the applicable location(s) determined by the Energy Office staff using the energy service contractor monitoring reports.

Energy Work Order Accounts

To be used for energy-saving projects in the next fiscal year, certified energy cost avoidance dollars must be deposited in an energy work project account. *Each department must establish their own P.A. 122 account prior to certification of energy cost avoidance in accordance with the current state budget timetable.*

Potential Energy Projects

An attachment entitled **State Facilities Energy Projects That May Be Funded With PA 122 Funds** suggests projects that may be undertaken. The examples are provided as a guide and are not intended to limit project ideas. All projects to be undertaken with P.A. 122 funds must receive prior approval from the applicant department and the DMB/Budget Offices, plus an analysis from the State Energy Office staff engineer.

Application Deadline And Contact Information

Please call Tom Krupiarz, State Energy Office at (517) 241-6184 or send e-mail to takrupi@michigan.gov if you have any questions.

APPLICANT AND UTILITY INFORMATION FORM

Contact Name				Position Title									
Email				Department									
Telephone				Facility									
CHECK BOX <input checked="" type="checkbox"/> THAT APPLIES: <input type="checkbox"/> Current Year <input type="checkbox"/> Base Year 1 <input type="checkbox"/> Base Year 2 <input type="checkbox"/> Base Year 3													
		Electricity		Natural Gas		Steam		Fuel Oil		Propane		Chilled Water	
Month	Year	kWh	Cost	CCF	Cost	MLB	Cost	Gals	Cost	Gals	Cost	Tons	Cost
Jun													
Jul													
Aug													
Sep													
Oct													
Nov													
Dec													
Jan													
Feb													
Mar													
Apr													
May													

PLEASE NOTE: Complete one form for your Current Year, and one for each of three previous years. The three oldest years of data will be averaged to arrive at your Base Year, and the averaged data will be compared to your Current Year to arrive at your energy cost avoidance. If you have any questions, please call Tom Krupiarz at (517) 241-6184 or email takrupi@michigan.gov

Documentation Of Past Energy Improvements

PA 122 of 1987 requires applicants for energy cost avoidance certification to document their building improvements for energy efficiency. Please complete the table below.

[illegible]

State Facilities Energy Projects That May Be Funded With P.A. 122 Funds

Following are examples of past or feasible energy projects for state facilities

1. Lighting & HVAC Sensors/Controls
2. Energy Efficient Motor Upgrades
3. Compressed Air Leak Repairs
4. Steam Leak Repairs/Steam Trap Replacement
5. Low Flow Faucet/Shower Heads
6. Low Volume Toilets
7. Power Factor Corrections
8. Boiler Improvements
9. Furnace Improvements
10. Demand Limiters
11. Variable Speed Drives For Motors
12. Efficient Process Equipment
13. Heat Exchanger
14. Motor Tune-ups
15. Photo Cells For Outdoor Lighting
16. Time Clocks For Vending Machines
17. Weather stripping
18. Insulation In Walls & Ceilings
19. Leaky Damper Repair
20. Pneumatic/Hydraulic Control Repair
21. Installation Of Synchronous Belts
22. Daylight Controls On Light Banks
23. Window Replacement Or Reduction
24. Co-generation
25. Insulate Air Ducts
26. Fluorescent Lighting Upgrades
27. Exit Light Upgrades/Replacement